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ABSTRACT

The Secretary of HEW presents an overview of departmental undertakings for the purpose of developing more responsible and responsive personnel. The major portion of the statement focuses on internal processes of responsibility and external processes of responsiveness. Departmental strategies, a planning cycle, an operational planning system, involvement of people, and increased flexibility are suggested to improve decision making. The role of research and development, evaluation, and cost benefit considerations also relate to internal processes. The HEW role in responsiveness starts with cutting away red tape, grant consolidation, services integration, and decentralization. Steps to encourage change include technical assistance in the proposed renewal strategy of the Office of Education and improved communications in the public affairs management system. As a department of the people, the HEW role in exercising leadership in the national effort to promote human dignity is realized. Concluding remarks identify a fourfold task: to identify problems of people and institutions; to eliminate gaps between promise and performance; to make the best of limited resources; and to fight for additional resources. A related document is ED 077 810. (Author/KSM)

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The HEW Potential for the Seventies

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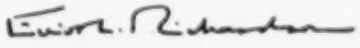
Responsibility and Responsiveness

The HEW Potential for the Seventies

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
WASHINGTON, D.C. 20201

FOREWORD

THIS IS A considerably expanded and revised version of a talk I gave to several groups of HEW employees in December 1971. By making it available in this form, I hope to reach a larger number of HEW people with an overview of those departmental undertakings designed to make us a more responsible and responsive instrument for serving the American people. I hope, also, that others interested in the work of the Department will find this publication useful.



ELLIOT L. RICHARDSON
SECRETARY

January 15, 1972

TABLE OF CONTENTS

	Page
INTRODUCTION	1
TOWARD RESPONSIBILITY—INTERNAL PROCESSES	5
Constraints	5
Improving Decisionmaking	6
Departmental Strategies	7
Planning Cycle	9
Operational Planning System	10
Involvement of People	10
Flexibility	11
Research and Development	11
Evaluation	12
Costs and Benefits	14
TOWARD RESPONSIVENESS—EXTERNAL PROCESSES	17
The HEW Role	17
Cutting Away Red Tape	18
Grant Consolidation	19
Services Integration	20
Working With Service Providers	21
Services Integration Legislation	21
Decentralization	22
Relations With General-Purpose Government	23
ENCOURAGING CHANGE	24
Technical Assistance	25
Communications/Public Affairs	25
A "Coalition" Not a "Conglomerate"	26
HEW PEOPLE	28
CONCLUSION	31

INTRODUCTION

WE ARE STANDING at a unique juncture in the course of history. At no other time have we been so aware *both* of how breathtakingly close we have come to realizing the promise of America for all its citizens *and* of how painfully far we are from locating and gathering all the resources that would fulfill that promise tomorrow.

The founders of this complex and diverse Nation, and each succeeding generation, set themselves truly awesome tasks to perform. For the most part, their aspirations and their capabilities have been within hailing distance of each other. In our own time, great though the growth in our resources, the growth in our expectations has been even greater. Today these expectations are like a giant helium-filled balloon cast loose from its moorings, sailing beyond sight. We must somehow bring our expectations back to earth: We must level with each other. For either we shall understand the reality of what can and cannot be done over time, or we shall condemn ourselves to failure, and failure again and again.

When we compare ourselves with those who preceded us, or with others in the world today, there is no denying that we are succeeding, that we are in fact moving ever closer to the promise of this country. We are now one of the oldest nations in the world with an enduring and vital Constitution. We have not only retained our original freedoms but have enlarged upon them, particularly with respect to civil rights. Our lives are longer and healthier. We are better educated. And the number of people living in poverty is not only a relatively small proportion of the total population, but it is declining. The miseries suffered by most of the world's population are fortunately beyond the imagination of most Americans.

We are also beginning to gird ourselves for new tasks in the temper of a changing time, and have begun to shift our priorities accordingly. Since the present administration took office, human resources expenditures have risen from 39 percent of the total Federal budget to 44 percent, while national security expenditures have declined from 41 to 34 percent. HEW's budget, meanwhile, has been rising at an annual rate of 15 percent—more than twice the average rate of increase in the GNP over the past 10 years. In the next fiscal year, Department expenditures will approach $80 billion, roughly one-third of the entire Federal budget.

Yet, despite the gains that we can see and despite the change in national priori-

ties, frustrations and disappointments abound, and alienation from our basic institutions seems endemic. Why is this so?

One reason, it seems to me, stems from our very successes. As Alexis de Tocqueville wrote many years ago:

> The evil which was suffered patiently as inevitable seems unendurable as soon as the idea of escaping from it crosses men's minds. All the abuses then removed call attention to those that remain, and they now appear more galling. The evil, it is true, has become less, but sensibility to it has become more acute.

It is not, then, that we have come so far, but that we seem so near, so exasperatingly near, to realizing our national hopes, that some of us grow impatient and angry. What could be suffered silently or even cheerfully when there was no chance of improvement, becomes intolerable as soon as it is learned that a cure is within our capability. And then we must have the cure immediately.

Another reason is that we are constantly setting ourselves ever more difficult goals to achieve. We may reach a goal today that appeared improbable or optimistic yesterday, but instead of finding in this success a source of satisfaction, we find a sign of failure.

There is, besides, much actual failure. Exaggerated promises, ill-conceived programs, over-advertised "cures" for intractable ailments, cynical exploitation of valid grievances, entrenched resistance to necessary change, the cold rigidity of centralized authority, and the inefficient use of scarce resources—all these add to frustration and foster disillusionment.

Population growth, technological change, mass communications, and big government, meanwhile, have been progressively submerging the individual's sense of personal significance in a gray, featureless sea of homogenized humanity. In a country which has been dedicated from its beginning to the liberation of human aspirations and the fulfillment of human potential, these massive changes result in vague feelings of anxiety and unease. We yearn for a greater voice in—a greater impact on—the processes that affect our lives. We long to make a difference.

But the most profound and far-reaching source of our frustrations and disappointments is to be found in the "expectations gap" to which I alluded before. There is a fallacy abroad in the land—and rampant in the Congress—to the effect that passing legislation solves problems. There are, to be sure, many problems that cannot be solved without new legislation. But all too often—and increasingly so—new legislation merely publicizes a need without creating either the means or the resources for meeting it. If this kind of legislation is implemented at all, it is at the cost of spreading resources still more thinly over existing programs.

Just this, in fact, has been happening at an accelerating rate. In the first full budget of the Kennedy administration, congressional authorizations for HEW programs exceeded amounts requested for their operation by $200 million. In the current fiscal year, authorizations for HEW programs exceed appropriations by $6 billion. Legislation likely to be enacted by this Congress may add still another $9 billion in new authorizations for next year and even larger amounts for future years.

What does this accomplish except to create expectations beyond all possibility of fulfillment and then, because they were not fulfilled, dash the hopes of those who have the greatest needs?

Then, there's the nagging problem of inequity in helping those who need help. The Federal, State, and local cost, both public and private, of assisting individuals whose dependency might have been prevented is running at an average annual rate of about $19 billion. And yet the cost and quality of assistance to such individuals varies widely. If our assistance to all these people met the standards applicable to the most-favored one-third, the annual cost would be nearly $7.5 billion more than it is now.

If, in addition to raising benefit standards for those now receiving assistance, we increased eligibility by uniformly applying a standard for assistance corresponding to the most liberal one-third, another enormous expenditure increase would be required.

Consider just the following list:

- Fulfillment of the Right to Read objectives.
- Homemaker services, mental retardation services, and vocational rehabilitation services for all who need them.
- Developmental day care services for needy children.
- Good compensatory education for every disadvantaged child.

To meet even these few goals, we would have to increase our spending by roughly $27 billion per year *and* recruit and train 6 million more professionals, paraprofessionals, and volunteers!

When we begin to take into account other large claims—health care, higher education, urban redevelopment, transportation, and environmental protection, for instance—we rapidly enter a realm of almost unimaginable numbers. The needs are real, but we cannot conceivably meet them all comprehensively and all at the same time.

Glaring gaps between needs and their fulfillment are thus inevitable. That does not mean, of course, that we should not try to narrow them. On the contrary, it is the job of this Department and our sister agencies in the States and localities to fight as hard as we know how to do this. Our sympathies and our missions both demand it. But a "need" is subjectively perceived, and this perception reflects the expected response. The more unrealistic, therefore, are the expectations of our fellow citizens, the more we who struggle to meet those expectations tend to be looked upon as failing.

A consequence is the erosion of confidence in government itself, especially as a means of bringing about desirable change. Americans have never been particularly trusting of government, but still, something is much amiss when surveys show a continuing decline in the percentage of adults expressing a degree of trust in their government.

"Let's face it," the President said in his state of the Union address last January,

"Most Americans today are simply fed up with government at all levels. They will not—and should not—continue to tolerate the gap between promise and performance in government."

We in HEW must, and we can, help to restore confidence in government. We can do so by making ourselves more *responsible*. We can do so by making ourselves more *responsive*.

Today, I should like to tell you about specific actions being taken to shape this Department into a more responsible and responsive instrument for meeting the needs of the people we serve. Many of you have contributed to one or another of these shaping actions, but few have had the opportunity to see how they tie together in a coherent pattern. In a way, this is my progress report to you.

TOWARD RESPONSIBILITY—INTERNAL PROCESSES

CONSTRAINTS

IN THE CURRENT fiscal year, 85 percent of HEW's budget is "uncontrollable" in the sense that neither the executive branch nor the appropriations committees of Congress have the power to add to or subtract from the amounts required to fulfill such binding statutory commitments as social security benefits and health services for the poor. Only a change in legislation already on the books could alter our commitment to these important purposes.

The estimated increase in this kind of "uncontrollable" expenditure in our budget from this year to next year will be nearly $8 billion*—almost as much as the entire HEW budget, including trust fund expenditures, for fiscal 1957, the year I came to HEW as Assistant Secretary for Legislation.

Most of the remaining 15 percent of the HEW budget—the so-called "discretionary" part—is committed to worthwhile activities initiated in prior years, such as research on physical or mental illness. We can hold the line in some places and make limited reductions in others to make room for new and exciting initiatives, but not even such urgent claims as drug-abuse treatment or cancer research can be used to justify offsetting cuts in other HEW programs. We have, as you know, some 280 of these programs, and most of these—whether environmental education or adult illiteracy, mental retardation or product safety—could effectively use more money.

These are the constraints of the past and present on the future. And the future has its own set of constraints.

We start with HEW's share of general tax revenue estimated on a basis that assumes conditions of full employment. To this we must apply the fiscal 1972 budget base of $71.7 billion, add the above-mentioned $8 billion in uncontrollable increases, and make such allocations as we can afford to newly enacted programs. Only what remains can be used for new initiatives, including the not-yet-enacted welfare and health insurance reforms.

These two boundaries—one behind us and one in front of us—lead to the inescapable conclusion: We must choose.

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*Includes $3.6 billion in social security benefit increases in H.R. 1.

The President has the most complex and broadest choices to make. He must, within the constraints imposed on him, select from among efforts to improve the environment, to improve transportation, to make the Nation more secure at home and abroad, to bring sense and humanity to our welfare system, and from among a host of other worthy and pressing objectives.

The Secretary of HEW must choose among efforts to bring health services into poor neighborhoods, to increase the educational opportunities of children living in those same neighborhoods, to reduce the isolation of the aged, to offer alternatives to delinquency and drugs, and among many other objectives, all of which again are worthy and compelling.

And down through the tiers of government it goes, the inescapable necessity of choosing.

Choice is the basic reality, and for us it is doubly difficult and saddening because whatever we have to give up is not something bad or trivial, but something that is only somewhat less important, if that, than what we have selected to do.

Because choice is so important, because so many lives are affected by our choices, we must constantly improve the way in which choices are made. And those who review our choices—friends and foes alike—should understand how and why we made them.

How may we improve the way in which we make choices, the way in which we reach decisions?

IMPROVING DECISIONMAKING

WE MUST, first of all, create a process of rational decisionmaking that is both open and honest. The choices must be made clear and understandable, their advantages and disadvantages fully stated, and the alternatives brought into the light—as in the use of expanded nutrition or family planning services, instead of more medical services, to obtain a certain amount of improvement in health.

These requirements necessitate, in turn, that we carefully analyze issues, evaluate each of our existing efforts with respect to their impact on the problems they are supposed to affect, and systematically draw together all of our analytic and evaluative information to determine how any one decision will affect the Department as a whole. This places a heavy burden on us to gather and interpret data, but we cannot otherwise determine what the major problems are and what in fact is likely to help and at what cost. To be sure, values, feelings, and attitudes will always, as they should, play a large role in the final choice, but the effort to improve our analysis of the issues cannot help but increase the likelihood that the resulting decision will be sound.

Departmental Strategies

The effort to apply these principles to our decisionmaking for the coming fiscal year began last August when the Offices of the Assistant Secretary for Planning and Evaluation and the Assistant Secretary, Comptroller, worked out a number of alternative strategies which, for the first time, would force departmental decisionmakers to confront the most fundamental issues of program emphasis. As a first step, the two Offices calculated the margin between committed HEW funds and HEW's share of projected revenues over the next 5 years. It is not a large margin. What, then, should be our priorities? Should we seek simply to do more of the same? Should we give first priority to income maintenance? To education? To health? Or emphasize the prevention of dependency and the accomplishment of institutional reform?

In pondering these questions, I was, of course, mindful of the fact that important initiatives had already been taken. A comprehensive income-maintenance strategy is reflected in the President's Welfare Reform program and social security proposals. The former will transform our presently degrading and chaotic nonsystem of welfare into a truly coherent system in which at least the minimums of decency and dignity can be preserved; the latter will accomplish a whole series of long-needed improvements.

On the health side, the President's National Health Strategy seeks to correct each of the identified deficiencies of health care in the Nation. It will commit a substantial share of future resources, both public and private, to financing good medical services for nearly everyone, but particularly for those who cannot now afford to pay for it.

In education, the foreseeable budget margin will be sufficient only to meet certain quite specific national priorities. Among these are research, the encouragement of innovation and reform, education of the handicapped, the Right to Read, and "career education." For the Federal Government to play a significant part in helping to eliminate reliance on the inequitable and regressive property tax for the financing of public elementary and secondary education would require a new Federal revenue source. At the President's direction, the issue is under intensive review.

This process of elimination brought me to the last remaining alternative—a strategy directed toward *the prevention of dependency and the accomplishment of institutional reform*. Not that the alternatives are mutually exclusive. On the contrary, adequate income maintenance is one very effective means of preventing dependency, as are preventive health measures and career education. All our legislative initiatives, notably welfare reform, would contribute in one way or another to institutional reform. But a strategy emphasizing the prevention of dependency and institutional reform is, to me, strongly appealing for a number of reasons.

To begin with, the effort to prevent dependency responds to the deepest instincts of a society which affirms the ultimate worth and dignity of each indi-

vidual. As one of the founders of the National Association for Retarded Children once said, "We learn (many of us perhaps only subconsciously) that if our way of life is to survive, every individual . . . must be counted an individual and accorded his place in the sun."

Whatever the cause of dependency—mental illness, retardation, drug abuse, alcoholism, or traumatic injury—the main goal is a dignified and self-sufficient way of life.

Moreover, resources invested in the prevention of dependency can yield major long-term dividends. One disabled individual may, during a lifetime, receive anywhere from $30,000 to $100,000 in public assistance payments. If he were not dependent and had an average annual income of $8,000, the same individual in a family of four would pay taxes totaling $42,000 over his lifetime. Thus, when a handicapped person is helped to become a contributing member of society, he is transformed from a charge on the public into one who is not only independent of the government but able to contribute through his taxes to helping others.

The objective of institutional reform also responds to what I believe to be basic perceptions and values in our society. All of us can agree, I think, that in a vast, increasingly urban, increasingly homogenized society, the most critically needed changes in our institutions are those which increase their humane responsiveness. Institutions and their activities, after all, do not exist for their own sakes; they exist for people. Where programs are rigid, they must be made flexible; where programs suffer from hardening of the categories, they must be opened to consumer participation; where they are remote, they must be made accessible.

Like the prevention of dependency, institutional reform can also contribute to the conservation of limited resources. It can seek to assure that the agencies, organizations, and skills that are capable of making some contribution to the protection and development of human resources are wisely deployed. The great needs and high expectations of those who call upon our human service institutions require that these institutions be made to work as efficiently and as effectively as possible. Overlap, waste, duplication, jurisdictional jealousies, persistence in outmoded methods—any or all of these things can only drive deeper the wedge between promise and performance.

And, finally, a strategy emphasizing the prevention of dependency and institutional reform affords a sound basis for selecting among potential initiatives. In the President's fiscal 1973 budget for HEW, this strategy is reflected, for example, in requests for additional funds to:

- Reach over a 2-year period all of the welfare population that could benefit from vocational rehabilitation services.
- Prevent alcoholism and drug addiction and strengthen community-level mental health services.
- Improve the availability of health services—especially through health maintenance organizations.

- Continue progress toward the goal of providing family planning services to all women who want such services but cannot afford them.
- Expand education for the handicapped.
- Reorient vocational education and general education so that they prepare students for realistic occupations as well as offer sound academic training.

Planning Cycle

Forcing ourselves to consider these departmental strategies was the first step in a concerted effort to reduce the Department's tendency to operate in reactive fits and starts. We are now instituting an annual planning cycle which meshes program priorities, management objectives, long-range planning and budgeting, development of legislation, evaluation and research, and operational planning. This cycle will be guided by a master planning calendar which establishes key milestones in order to assure that we consider all aspects of a decision before moving on to the next step.

The cycle begins almost 2 years before the beginning of an "implementation" year, with a "think period" during which we look ahead to identify major human and social problems that confront the Department and begin to consider how we might deal with them. We look at alternatives and analyze the costs and benefits of various approaches. We look carefully at our current goals and priorities, at our performance in resolving human problems, and determine how we ought to change these goals and better the performance. We also estimate the amount of money and the numbers of people, never sufficient, we expect to have available to work on these problems.

This phase is followed by guidance to the agencies of the Department laying out the strategic directions we wish to take. The agencies respond with 5-year-plan proposals. These are reviewed carefully, and issues that cannot be resolved are raised in memoranda and meetings with the agency heads, the Assistant Secretaries, and the Secretary. Major decisions are made in the context of an overview of the Department as a whole.

By the end of the summer, most decisions about resource allocations, at least for the coming fiscal year, will have been made and major priorities set. In August, when we receive from the Office of Management and Budget a preliminary estimate of how much money we can expect to carry out our plans for the coming year, each agency begins to translate policy and priority decisions into specific dollar amounts for all programs. The agency budgets are put together and then sent to the Office of Management and Budget in November.

The development of a strategy, the selection of program priorities, and the setting of management objectives is a process moving from the long range to the immediate, from the general to the particular, and from the imprecise to the measurable. Lacking a sense of the broad goals defined by strategic decisions, we have no rational means of selecting program priorities, and without program

priorities we have no means of establishing measurable management objectives. As the planning system is now set up, it is the responsibility of the Office of the Assistant Secretary for Planning and Evaluation to be concerned with the first two of these components of the planning cycle; the third is the responsibility of the Assistant Secretary for Administration and Management.

Operational Planning System

HEW has been called unmanageable. It is not. In HEW we have the management tools and the people to make the Department an outstanding example of effective management in government.

The Operational Planning System, an innovation in managing social programs initiated by Secretary Finch, is a key element in this effort. Its purpose is to insure that departmental resources are allocated in accordance with our long-range strategies and priorities. Through this system, we establish specific goals and set deadlines. My staff and I hold periodic meetings with the responsible managers to assess our progress. The managers are held accountable to the Secretary for specific accomplishments, and the Department, in turn, is held accountable to our fellow citizens.

Conscientious application of this process can, I believe, achieve for us a degree of responsible management that has seldom been attained by government agencies and bring closer the goal of restoring confidence in government.

Involvement of People

But none of this—not the planning cycle, not the strategy, not the priorities, not the operational objectives—amounts to a tinker's dam unless it is understood and supported by the people who have to make the whole system work. This requires that they be involved in establishing the Department's goals, priorities, and objectives. We have been working particularly hard to accomplish this. In developing the operational planning objectives for fiscal year 1973, we will start with the States and go on through the Regions to the line agencies before ending up with the Office of the Secretary. This should insure not only the participation of each level but, because of this, that the objectives thus established are fully shared.

For reasons I touched on earlier, it is also important for us actively to seek the views and criticisms of the people outside HEW who are most affected by what we do. Our planning processes, by illuminating the difficult choices that confront us, can help to make broader participation in these choices more possible and more valuable.

Complementing the planning system, our Office for Consumer Services is working with Department agencies to increase opportunities for consumer par-

ticipation in the development of HEW policies. The Food and Drug Administration, for example, has started to hold meetings with consumer representatives. Moreover, the Office of Education recently amended its regulations under Title I of the Elementary and Secondary Education Act to require that the parents of the children be given a strong voice in local policy decisions. The Office of Child Development has taken similar action in Head Start.

But these are only limited first steps in a process that needs to be applied to a much wider range of departmental activities. I have accordingly asked our General Counsel to develop model charters for citizen participation in HEW-supported programs which will attempt to strike a sound balance between the accountability of program managers and the justifiable demand of those we seek to help for an effective voice in matters that intimately concern them.

Flexibility

The process I have been describing, while continuous, is not inflexible—a train fixed to a railroad track, not to be deflected. A rigid planning and decisionmaking process would hardly serve the changing circumstances of our people or our government. It would be utterly mindless, for example, if citizens to whom we opened the doors of participation brought us new facts on reality, and our response was, "Sorry, but our plans cannot be altered."

The HEW planning process, therefore, allows for revising our policies and changing our strategies whenever either makes sense. The information we receive from a policy of open participation is one means by which we are helped to recognize such a need. In addition, we depend upon three closely interrelated processes. One is the acquisition of new knowledge through research and development; a second is the continuing evaluation of our programs to assess their efficiency and effectiveness; and the third is the analysis of costs and benefits with respect to specific problems. Because these processes are absolutely crucial to our capacity to carry out our mission with greater impact and credibility, I shall describe each in turn.

RESEARCH AND DEVELOPMENT

NOT COUNTING BIOMEDICAL research, the Department has spent $3.1 billion in the last decade on R. & D., $2.4 billion of this amount in the last 5 years. Too much of this money has gone into poorly conceived projects, too few of the results have been rigorously assessed, and our means of disseminating the worthwhile results have been too feeble. This means that we know less than we should, that we're less sure of what we know, and that too few people share the knowledge we do possess. If ever a situation cried out for institutional reform, it's right here.

As a first step toward correcting it, I asked the Office of the Assistant Secretary for Planning and Evaluation about a year ago to review completed R. & D. proj-

402-736 O - 72 - 3

ects in order to break loose any findings that might have greater potential for useful application than they had thus far received. Several good ideas were unearthed by this review. The provision of comprehensive health, education, and counseling services for unwed school-age pregnant girls was identified as an effective way to reduce the likelihood that these girls would cut short their education, have additional unwanted pregnancies, or become dependent on welfare. Promising programs to teach reading, to train teachers, and to train physicians' assistants were also uncovered, and the agencies are now stepping up their promotion of these ideas.

In carrying out this review of completed R. & D. projects, however, we learned that there really aren't a great many good ideas sitting on the shelves in the agencies waiting to be promoted. The prospect of any substantial payoffs, therefore, must depend on managing our R. & D. programs so that more useful and convincing results are produced. We must make sure that our limited R. & D. resources are focused on important questions, that projects fit together, and that they do not wastefully overlap.

To these ends, the operating agencies have now established R. & D. planning procedures and are working on the improvement of project design. We no longer tolerate the failure to submit R. & D. project reports. Each report is scrutinized to determine what, if anything, has been learned, whether the project should be replicated on a more sophisticated or larger scale, whether the results justify limited application and limited dissemination, or whether they should be widely promoted. In one major research area, enactment of the President's proposal to establish a National Institute of Education will greatly strengthen our capacity to make this kind of determination.

The process by which R. & D. results are disseminated is also being improved. For some users, it is enough to provide easy access to project reports through information retrieval systems like those operated by the National Library of Medicine and the National Clearinghouse for Drug Abuse Information. For others, the R. & D. offices which produce the results will need to make increasing use of demonstrations, conferences, and direct personal contact. Training programs and State and local planning projects can also serve as conduits for ideas.

EVALUATION

EVALUATION is the way we try to find out how well we are doing. Given the squeeze between uncontrollable costs and rising expectations, our society can no longer afford to indulge the "don't just stand there, *do* something" syndrome that has so often characterized reactions to current appeals. It is not that "doing something" is necessarily wrong. At a time of disillusionment with the integrity of government, however, ineffective responses to needs we do not really know how to meet can only compound distrust and reinforce alienation. In George Washington's day, it may not have done much harm to indulge the belief that

leeches could cure a fever; in our own, the failure to acknowledge the limitations of our capacity to treat heroin addiction would be inexcusable.

It is thus more urgent than ever before to be able to apply objective measures to the performance of our programs. Despite this urgency, our present capacity to do this is sharply limited: We need better methods of measuring performance; and we also need to make evaluation a regular part of program administration.

The first step toward overcoming these deficiencies must be a clear understanding of just what it is that needs to be evaluated. We too often speak of evaluating a "program" without knowing what we mean when we use the word. A "program" is the sum of the activities related to specific, usually categorical, legislation, such as the Comprehensive Alcohol Abuse Act. A "program" is also the sum of the activities directed toward a particular goal—for example, the "Right to Read program" or the prevention and control of cancer. Or the word may be used to refer to the sum of the activities of an on-going administrative function—for example, the "Upward Mobility program."

The proper object of evaluation will from time to time be a "program" in any one of these senses of the word. Ordinarily, however, the more appropriate object of evaluation is a way of doing something—a method of teaching reading or an approach to the treatment of alcoholism. We want to know what works. We want to know what works best. We want to know what it costs to get some improvement. In order to put our resources in the most effective places, we want to be able to measure the tradeoffs between competing alternatives.

We're working hard to improve our ability to answer this kind of question. We have established evaluation offices at high levels in the agencies and have recruited good people for them; each year as they plan and manage evaluations, these people will strengthen their skills. We are also beginning to develop training programs for evaluators. The Health Services and Mental Health Administration, for instance, has contracted with several universities to design a training program for this purpose.

But well-trained people soon run up against limits in the evaluation techniques available. HEW is pushing to improve these techniques. We have contracts to develop measurement tools—to measure health status and social and emotional development, for instance. We are increasing the use of control groups and learning to vary systematically the program models being tested.

Perhaps most significant of all, we are learning through the PEBSI (Program Evaluation by Summer Interns) program how to make effective use of community people in "telling it like it is" about the gaps and failures in activities we support. The PEBSI approach generates its own follow-up. Changes occur because many of the recommendations point to corrective actions that can be stimulated by a local feedback process. The PEBSI interns are not professional evaluators who go somewhere else once the study is done. They are, themselves, not only the evaluators, but the "follow-uppers" because they can advocate change as members of the local community.

We are also building the process of evaluation into the structure of our pro-

grams. In several programs, such as the Emergency School Assistance program, we have designed systems which provide information useful both for operations and for evaluation. For all programs, the requirement of annual evaluation plans forces the evaluators regularly to identify the most important questions. All evaluation projects, moreover, will hereafter have to specify at the outset how their results are to be implemented. Evaluation offices will be required to identify regularly those implications of their studies that are important enough to be passed on to possible users.

But none of this will be fully effective until and unless we get in the habit of demanding evidence for decisions, and, as our evaluation efforts begin to produce results, discipline ourselves to take advantage of them. We cannot achieve the twin goals of responsibility and responsiveness until we not only know what our activities produce at what cost and with what impact, but also make use of that knowledge. Ultimately, we should like to know what the results would be from one small addition in resources in any activity.

COSTS AND BENEFITS

WE NEED, in short, the capacity to relate costs to benefits and to compare the benefits of one program with the benefits of others. Our society's total resources are limited by population, technology, and natural endowment. To solve the resource allocation problem effectively within the public sector, we must perform four difficult tasks much better than we ever have: (1) Clarifying the goals we seek; (2) ranking these goals in importance; (3) considering different ways of approaching each goal; and (4) calculating the costs of each alternative. We have made some progress on each task, but much remains to be done.

I am repeatedly reminded of how little agreement there is on the objectives of some of our public programs. We want to *improve* the delivery of health services, or we want to make higher education *more accessible* to the disadvantaged. But what does "improve" mean? How can we measure "accessibility"? How much improvement or accessibility do we want? This, I think, is one of the great values of the evaluation process: when it is well done, it forces us to be specific about our goals. We cannot measure results until we sharpen our perception of what it is we want to do.

Once we have a clear goal in mind, we face what may be the most difficult job of all: We must compare the benefits of one program with the benefits of others, and decide which ones should be expanded, and which ones not.

How does one compare the benefits of one program with the benefits of another? Rarely can we reduce these benefits to dollar figures without the result being so artificial that we lose confidence in it. Yet such a comparison is essential to every budgetary choice we make, because the budget forces us to balance a dollar spent on one program against a dollar spent on others.

Let me give an example. We often speak of a single human life as infinitely precious, and so it is. But when it comes to the allocation of time, money, and

energy, it is obvious we do not literally mean it. Each year our society tolerates thousands of deaths which might be prevented. Last year 114,000 Americans were killed in some form of accident. Of these, about 23 percent were in the home, about 48 percent were on the highway. Some 95,000 Americans died from preventable illnesses, nearly 60,000 of these from lung cancer caused by smoking cigarettes. But building safer cars, highways, and homes, and reducing cigarette smoking involve "costs." By not pushing these things as far as we could, we implicitly put a value on the lives they might save. Unfortunately, such implicit valuations do not give us an explicit measure of the value of human life that could be compared with the value of a year of education or a reduction in water pollution.

I have suggested from time to time that we should develop a benefit unit called the "HEW" for use in comparing cost-benefit ratios among our activities. Such a unit would force us to look at just how much importance we really place on our efforts to deal with any single problem. And it would permit us to compare our real effort in one area—and the returns we got for it—with our real effort and returns in another. If a child-year of preschool education is worth one "HEW," how many "HEW's" is it worth to avoid one traffic death? To rehabilitate one disabled worker? To cure one drug addict?

Using such a benefit constant, we might readily see that the incremental costs of reducing a very small number of deaths by seafood poisoning might be better applied to reducing a larger number of deaths on the highway, or that the additional resources that would allow us to inspect every food-processing establishment twice a year could be more advantageously used to immunize our children. Similarly, it might show that we would achieve higher benefits in lives saved by investing in the safety of products than in special ambulances for victims of heart attacks.

The comparison gets harder to make, of course, when we come to the reduction of injuries, discomforts, and irritations, and when the outcome is uncertain. How much should we be investing, for example, in finding a cure for the common cold? Reducing noise pollution? We make such choices anyway, of course, but the process is seldom both deliberate and explicit.

Hard as it is to define our goals clearly, and then to rank them in importance, we must also deal imaginatively with the third of our four decision tasks: Considering different ways of approaching each goal. Cost-benefit analysis must open the door to fresh and imaginative alternatives. It must enable us, if such be the case, to say that there is a better way of attacking a problem than by an HEW program and that we should shut ours down and support another, somewhere else.

Our fourth job in better decisionmaking is to measure the cost of each alternative. We already do better at this part of the task than at the rest, but still our skills are seriously underdeveloped. We are not always careful to remember, for example, that the true "cost" of a Federal program is not invariably measurable by the number of dollars we allocate to it in the budget. Did we include air

pollution costs in our accounting for the Federal highway program? Do we charge ourselves for the loss of recreation, fish, and wildlife when we develop our rivers and harbors? Do we take into account the possibility that Federal dollars collected from some sources may have more adverse effects on economic activity than those collected from other sources?

Further, our ability to predict what the budgetary costs of alternative programs will be is seriously lacking. There are a few shining examples of good cost estimation in the Federal Government. The Actuary's Office in the Social Security Administration is one. But there are many more dismal cases of complete ignorance about what resources will be needed to carry out proposed programs.

Our success at these four tasks of cost-benefit analysis can be improved, though not easily. Yet even if we do them a great deal better, there will remain severe limits on the practical use of evaluation and cost-benefit analysis. Such techniques may help us to choose the best way to use an additional $1 million on homemaker services for the elderly or preschool education for disadvantaged children. They may even offer some basis for comparing the social return on one or another such investment. But a choice between homemaker services and preschool education cannot and should not rest only on this kind of analysis. Even though it could be shown that the investment in preschool education paid larger dividends for a longer future, our feelings toward the generation to which we owe our own existence and education cannot be fed into this kind of calculation.

The hard choices, in the end, are bound to depend on some combination of values and instincts—and, indeed, it is precisely because the content of choice cannot be reduced to a mathematical equation that we need the political forum to reach the final, most difficult decisions. To recognize this, however, reinforces the importance of being as honest and explicit as possible in articulating the nonmeasurable considerations that transcend the limits of objective analysis. Only if these considerations are exposed to full view can we bring those whose expectations have to be deferred or overruled to accept the legitimacy of the process by which this was done. Only thus can we hope to reconcile the loser to losing and encourage the impatient to wait.

TOWARD RESPONSIVENESS—EXTERNAL PROCESSES

SO FAR, I have been talking almost entirely about the way in which we can and should take care of our own household, how we should plan, evaluate, manage, and the like. I want to turn now to our relations with others.

THE HEW ROLE

HEW has two main roles, one direct and leading, the other indirect and supporting. In our direct role, we administer programs in which the sharing of responsibility would not be administratively feasible. Such, notably, is the social security system. Since both eligibility for benefits and benefit levels depend on contributions to the system over a working lifetime, payroll records must be centralized, and eligibility determinations must be uniform. Federal administration is a practical necessity. Much the same considerations underlie the provisions of H.R. 1 calling for Federal administration of the income-maintenance aspects of the President's Welfare Reform program.

So it is, too, with every other activity in which HEW has a direct role: The reasons why it is direct are practical, not theoretical. We provide health services for Indians and Alaskan Natives because there are no other health care providers who normally live and work in the places where Indians and Alaskan Natives live. HEW monitors the safety and efficacy of drugs and biologicals because uniform national standards could not otherwise be enforced. And although our Public Health Service "marine hospitals" may seem to be an exception to the practicality principle, there were no local facilities able and willing to take care of sick merchant seamen when this system was born.

We perform our direct roles well, I believe—and, with due recognition of budgetary constraints, outstandingly so. Indeed, the consistency of the Social Security Administration's performance in meeting ever-higher standards of efficiency is the strongest evidence we have that HEW can do an outstandingly good job of administering the Welfare Reform program.

Our prevention of dependency and institutional reform strategies, however, will primarily engage our indirect, supporting role, rather than our direct, leading

one. The teachers, the healers, the social workers, and the rehabilitation counselors, after all, are not employed by HEW, but by State and local governments and by private agencies. And while this is in a sense only an historical consequence of our Federal system, the system itself was built on a pretty solid understanding of the needs and problems of people. Even if, in other words, the Constitution had not originally contemplated a secondary and supporting role for the Federal Government in providing services to people, a sensitive awareness of human needs and a sensible understanding of the structure required for responding to them would have brought us out at the same place. To paraphrase Voltaire, if we did not already have a Federal system, we would have had to invent one.

It follows that the success with which HEW carries out its indirect, supporting role depends on our effectiveness in backing up those who teach and heal and serve. They are the frontline troops. Our mission is to provide planning and logistical support. Our job is to help by identifying the needs to be met; to help by making sure that the people who can make good use of better methods of providing services are made aware of them; by supplying financial support of such services; by increasing the supply of service providers where there are shortages; and by improving communications within the whole service system.

These, at any rate, are the things we should be doing. The trouble is that in attempting to do them, we all too often get in our own way as well as in the way of the service providers.

At the head of the list of self-created obstacles is the needless multiplication of categorical grant-in-aid authorities. The multilayered network of specialized and autonomous agencies which the Federal Government has spawned—combined with constricting and frequently conflicting Federal guidelines—yields fragmented, overlapping, inefficient and unresponsive service delivery. This Department administers more than 200 special-purpose social, educational, and health-related service programs, generally administered through separate State agencies and, in turn, through their separate local affiliates. The result is too much scattering of resources, too little coordination and consolidation. The examples are endless of the dedicated people seeking to respond to some urgent community need who have been driven to despair by their inability to penetrate the categorical jungle.

To become fully effective, we must "disenthrall ourselves" from the existing system. We must wrench our attention away from the tending of governmental machinery and turn it outward to people and their problems, to the neighborhoods and communities where they live, and to the effectiveness of what we do in seeking to give them help.

CUTTING AWAY RED TAPE

THE MOST UBIQUITOUS outgrowth of program proliferation is the strangulating vine called "red tape." We have launched a three-pronged attack against it.

The first prong is headed by the Federal Assistance Streamlining Task Force.

Inaugurated by Secretary Finch, FAST has studied 225 grant programs representing approximately $15 billion in HEW domestic assistance. It has offered, and helped to implement, a number of recommendations on ways to improve administrative and operational procedures. For example, in 1965 under Federal formula grant programs for Health, Maternal and Child Health, and Crippled Children, Tennessee submitted a plan 790 pages long, a budget of 35 pages, and another 94 pages of expenditure reports--919 pieces of paper! In the present fiscal year, after FAST, Tennessee need submit only a one-page, preprinted certification plan, a one-page budget, and a one-page annual expenditure report—three pieces of paper, satisfying all Federal requirements.

Following other FAST recommendations, the Health Services and Mental Health Administration has delegated all decisionmaking for specific individual projects to the 56 regional medical programs around the country. Local projects no longer have to be approved individually in Washington; the job can be done faster and more simply at the local and regional levels.

From a second direction, the Office of Grant Administration Policy is seeking to standardize and simplify the requirements we place on a varied lot of grantee institutions and organizations. A single, standard form has been developed for all HEW construction grant, loan, and interest subsidy programs. A single form to replace 14 forms for reporting expenditures under research grants is in process. Other matters being considered include a common timetable for processing grant applications and the desirability of giving program managers discretion to use either grants or contracts.

Third, we're trying to facilitate access to grant funds. One useful device will be the "switching station," a mechanism invented by a group headed by the Assistant Secretary, Comptroller. Because many worthwhile projects deserving HEW support are too broad in scope to be wholly financed by one categorical grant-in-aid program, a prospective grantee is forced to divide his project into pieces which match the Federal categorical programs. He must then hunt separate funding for each piece.

The switching station will change this. If a future grant applicant has a project requiring funding from several different HEW project grant programs, he will submit a single application to the switching station. The station will review his project as a single entity and, if it is approved, will arrange to combine funds from the applicable categorical programs into a single, integrated grant award. This is our most promising approach so far to establishing a grant-packaging capability in HEW. We are continuing work on others.

GRANT CONSOLIDATION

EVEN THE BEST administrative expedient cannot be more than a partial solution. More efficient and straightforward is the legislation this Administration has proposed to consolidate separate but related categorical authorities. Our pro-

posal for special revenue sharing in education, for example, would consolidate 33 categorical activities into a single authority embracing five broad aspects of elementary and secondary education. In so doing, special revenue sharing would reduce the number of regulations and guidelines, broaden existing programs, and foster comprehensive planning to use Federal funds more effectively. For the States and local school districts, it would mean both a larger responsibility and a greater ability to deal with their educational problems in ways adapted to their own requirements.

The Assistant Secretary for Health and Scientific Affairs is formulating a similar initiative for health. There are about 40 separate Federal health grant programs, making it almost impossible for consumers and for health agencies and professionals to put together anything resembling comprehensive health services. With the advice and assistance of such groups as the National Advisory Health Council and the Association of State and Territorial Health Officers, we hope soon to have a health revenue-sharing proposal comparable to the one in education.

SERVICES INTEGRATION

CUTTING AWAY RED TAPE, grant packaging, and grant consolidation will, separately and in combination, make Federal support less hampering and more useful. They will help to bring about more comprehensive, less categorical service-delivery systems. But the fragmentation of services is by no means a consequence solely of Federal policies and procedures, and it cannot be overcome by Federal action alone.

At the community level, the agencies devoted to helping people are too numerous, too limited in function, and too isolated from each other. Local agencies tend to be fully as jealous in protecting their own turf as any Federal entity. Professional disciplines do not lose their guildmindedness at the local level. As a consequence, an individual in need is all too often forced to go from agency to agency, none of which is capable of dealing with him as a whole person.

It is not enough, therefore, simply to improve the ability of each provider of services to perform its particular role. We must also promote communication among the various service providers, joint planning among them, coordinated program operations, and comprehensive systems of dealing with the needs of people.

This effort to help service providers break down the barriers that impede concerted and effective action is going forward within HEW in two allied thrusts. First, we are working with State and local service providers to design various R. & D. models for testing the desirability and feasibility of services integration, and our regional offices are assisting a number of States and communities that are already committed to the principle of services integration. Second, we are developing Federal legislation to help local service providers break down the categories that slice the individual into segments, bridge the barriers between the

helping professions, and build an integrated approach to the goal of reducing dependency.

Working With Service Providers

We now have about 20 projects built around a variety of services integration models. In one promising experimental project, social services are being provided after school hours in a public school building. We are also testing the feasibility of integrating social services in hospitals. And, in another approach, four agencies providing separate services are joining in a common outreach capability.

Our aim is not simply to put all services under one roof, if that indeed were possible. Nor is it simply to be able to say that all services in a community have been linked together. Our most important model is a conceptual model developed by the Community Services Administration of the Social and Rehabilitation Service in which goals are clearly formulated and progress will be measurable. This model assumes a continuum ranging from total institutional dependency to economic self-sufficiency, with people being assisted at every stage in the continuum. The goal is to move as many as possible up to the next stage, and finally to self-sufficiency.

Our Regional Directors have already found 24 cities with a strong desire to integrate local services and pull together relevant HEW resources. The HEW response ranges from assisting service centers to expand the range of their services to helping local governments coordinate a diversity of services. Several Governors and State officials, with our assistance and encouragement, are also trying to pull together social services at the State level.

Services Integration Legislation

Legislation we are now developing will make possible a quantum leap beyond the work with service providers that is now in progress. Its aim is to make it easier for Federal, State, and local governments to work together to deliver services to people in a coordinated and effective way. It will help to build the capacity of service providers for joint plans and operations across program lines to alleviate conditions of dependency. It will also widen the flexibility of Federal support for States and localities through provisions for transfers of Federal funds between programs, waivers of inconsistent Federal program requirements, and limited funding for planning and administrative costs. In turn, States and localities will organize themselves to provide services to their citizens in a more comprehensive and cohesive manner.

The proposal will encourage, assist, and support—but not require—the integration of services. It epitomizes our institutional reform efforts: It would not pay for additional programs, but underwrite the administrative costs of improving the

system, thus enabling communities to allocate resources more efficiently and responsively to the total needs of individuals and families. The people served will have their needs assessed comprehensively, and have access to a full range of services. As a result, we hope, they will feel that the machinery of government is working to help, not frustrate, them.

The task of fitting the roles of service providers into a comprehensive whole will be painstaking and time-consuming even for a limited range of services and in a limited geographical area. As the number and geographic scope of included services both enlarge, the necessary planning will become still more complex. And yet there can be no hope of building service networks without gaps or overlaps yet capable of reaching all those eligible unless we acquire the planning capacity necessary to establish clear definitions of authority, responsibility, and territory. The proposed legislation should help to develop the knowledge and experience needed to undertake this final stage in the creation of a truly adequate human services system.

DECENTRALIZATION

IF HEW IS to be of maximum use to the front-line forces engaged in health and education and welfare services, we must not only make our support of those forces as adaptable as possible to community needs, but also see to it that our support is as accessible as possible. It follows that our support functions must be moved up as close to the front as we can get them. This in turn requires that we place increasing reliance on our regional offices.

Under the polite but persistent prodding of the Assistant Secretary for Community and Field Services, a number of concrete steps have been taken to strengthen the regional offices and accelerate the process of decentralization. For example, the newly established Project Grant Review and Control System gives the Regional Directors an opportunity to review and concur in selected centralized grants before awards are decided. In addition to providing advance knowledge of pending grant awards, the system allows the Regional Directors to hold up for further consideration any proposed grant that seems inconsistent with regional priorities. Even this system, however, is just a precursor to the more effective management systems needed by, and currently under consideration for, the regional offices as stepped-up decentralization takes place.

During the next year, assuming favorable OMB and congressional action, we will expand the management authorities of the Regional Directors. Such staff functions as personnel support, financial management, program analysis, program evaluation, management information, and public affairs will be strengthened. The Regional Directors will also play a larger role in determining how our evaluation and research and demonstration resources are deployed. To increase their leadership capacity, I have asked that their staffing be substantially increased and that they be provided the funds required to support their added functions.

The Assistant Secretary for Administration and Management has identified decentralization as the most important step we can take in our program to improve the management of the Department and has established it as his No. 1 priority for the year.

Under the President's Federal assistance review (FAR) program, we have identified 63 programs suitable for decentralization, but the agencies report that they have so far decentralized only 15 of these. We are determined to quicken the pace in the months ahead, and I am holding each agency head responsible for insuring that decentralization is being aggressively pursued and accomplished in his agency. The final phase of the FAR effort will call upon key individuals who know the process of decentralization and who will be charged with assisting the agencies in accomplishing it.

Relations With General-Purpose Government

One of the most important objectives of decentralization is the opportunity for our regional offices to work more closely with units of State and local general-purpose government.

Increasingly, HEW must look to these general-purpose units for leadership, advocacy, accountability, and comprehensive planning. As we devise service strategies that cut across traditional agency lines and involve private organizations as well as established public service agencies, we shall come to depend more and more on the participation of general-purpose governments. Only with their help can we solve the horizontal coordination problems at the State and local levels that have for so long been aggravated by our own vertical, categorical relationships with our counterpart agencies.

The list of our present contacts with general-purpose government is already quite considerable, and the Office of Field Management is rapidly extending it:

- Building on past experience with the model cities program, the Department is participating in the current experiments known as "Planned Variations."
- Capacity-building grants to general-purpose governments, a part of last year's services integration demonstrations, will be stepped up this year.
- State and local governments are playing an increasing role in our Operational Planning System.
- HEW personnel are serving in State and local governments in seven States, and these contacts will be expanded under the new authority of the Intergovernmental Personnel Act of 1970.

The combined effects of these efforts will be measurably to enhance the ability of the Department to respond to real needs where they exist and to make us more open to the influence of citizens and their elected officials.

ENCOURAGING CHANGE

LIFTING THE red-tape burden, simplifying the grant-in-aid system, and increasing the capacity of general-purpose governments to integrate services will, over time, make sense out of the relations between HEW and the institutions which bring needed services to people. But how, one may ask—if we do all this—how can HEW still exercise leadership in promoting important national interests?

Insofar as the question implies that effective national leadership depends on multitudes of categories and mountains of paper, it rests on a fallacy. One well-designed categorical grant-in-aid program can be effective in promoting a defined national interest. Each of several such programs may evoke a positive response. But as the number grows, a point is reached at which the Federal leverage exerted by any given program has been almost completely dissipated. Categorical grant proliferation, therefore, accomplishes no more on behalf of national interests than could be accomplished by an unconditional transfer of resources, minus the amount eaten up by ballooning overhead, prolonged delays, and endless aggravation.

Reducing the number of categorical grants, therefore, will restore, not weaken, national leadership. Fewer categorical grant programs, appropriately divided between the formula and the project approach and with a sharp focus on carefully defined areas of urgent national concern, could exert greater impact than the unwieldy profusion we now have. At the same time, funds would be freed for allocation to State and local governments through less restrictive block grants or through special revenue sharing for broadly defined purposes. The broad definition of a program, in any case, does not preclude the protection of particular national concerns like civil rights or financial accountability through such specific provisions as those contained in our education special revenue sharing legislation.

There are ways of exercising national leadership, moreover, that do not depend on pulling strings attached to Federal funds. One affirmative, noncoercive way is through the kind of capacity-building assistance that our Allied Services legislation would provide. Another relies on providing expert technical assistance to State, local, and voluntary agencies. Significant contributions can also be made by a system of communications capable of disseminating new ideas and enlarging awareness of national concerns. Having already discussed the first of these approaches, I should now like to say something more about the latter two.

TECHNICAL ASSISTANCE

ONE OF THE good results of simplifying the categorical grant structure is that hundreds of HEW people now employed in tending grant-in-aid machinery can be liberated for constructive roles in rendering technical assistance to service providers.

The proposed renewal strategy of the Office of Education is a good example. This strategy will create for the first time a nationwide cadre of education extension agents working directly with local school people, just as agricultural extension agents work directly with farmers—to help them understand and test new ideas, products, and processes.

Equally important in the education renewal strategy will be a new approach to helping local communities assess their own needs and then plan and carry out a comprehensive, long-term effort to change education. HEW will seek to make sure that all those responsible for renewal in each school district have access to the best available ideas and products from which to choose. No longer will it be necessary for a school district to deal with a myriad of Federal guidelines, applications, and funding patterns; time formerly spent on grantsmanship will be freed for improving the education of our children. The result should be a process of reform and renewal in hundreds of school districts and a workable system for installing the best knowledge we have where it is most needed.

A similar capability is called for by our various approaches to the integration of social services, as well as by our efforts to rationalize the delivery of health services. Concurrently with the award of limited funds for planning Health Maintenance Organizations, for example, we are also training specialists who will be able to advise the sponsors of such organizations on the pros and cons of the various options open to them.

Based largely on our regional offices, such technical assistance efforts will complement the President's general as well as special revenue-sharing proposals.

COMMUNICATIONS/PUBLIC AFFAIRS

WHETHER WE ARE trying to raise the level of debate over major issues, report performance, deflate overblown expectations, or bring the latest news from R. & D. to practitioners, we are dependent on communications of one kind or another. We need good communications to increase understanding, to gain support, and to effect change.

In many respects, any distinction between our internal and external communications of HEW is artificial. This is true both because we are trying to say the same things to each other and to our fellow citizens and because our means of communication are just as much external as internal. It is my guess, for example, that most of the people in HEW learn more about what the Department is doing from the news media than through any departmental channel. When we think of communication as a means of creating understanding, gaining support, and

producing change, we should be thinking, therefore, of all the means of communication at our disposal or within our reach.

Measured against the task, HEW's communications system has been woefully weak. For this reason, I have raised the rank of the person in charge of HEW's communications to Assistant Secretary and have asked him to build a communications system that will do the job we need to have done.

This new system, now falling into place, is based on this reality: The size, complexity, diversity, and geographic dispersion of the Department's activities make the centralization of communication activities impossible as well as undesirable.

What is needed is a strong coordinative effort with a modicum of functional control. The responsibility for directing this effort resides with the Assistant Secretary for Public Affairs. The Communications Council which he has established is the place within the Department where communications components are melded into a single plan addressing all of HEW's programmatic priorities and paralleling the Department's Operational Planning System.

A primary goal of the new public affairs management system is to communicate the interrelated—and often mutually supportive—nature of the Department's programs to their direct beneficiaries, to departmental constituent groups, to the general public, to the State, local, and private institutions that administer many HEW programs, and to the Department's employees.

A "COALITION" NOT A "CONGLOMERATE"

A FAIR MEASURE of the communications system's success will be the degree to which it dents the public's persistent perception of HEW as a confusing conglomerate instead of as a viable instrument for achieving social progress.

The fact is that the interrelationships among our programs and activities are far more significant than their divergences. The grouping of these functions and activities in a single Department is not haphazard or arbitrary. We are not a "conglomerate." We are a "coalition."

Take a random list of our most urgent concerns: Poverty, drug abuse, alcoholism, juvenile delinquency, mental retardation, child development, the aging, rehabilitation of the handicapped, or any other. Nothing on such a list falls within the exclusive province of any one HEW operating agency. None is exclusively a "health" problem, or an "education" problem, or a "welfare" problem. All involve aspects of each.

Consider mental retardation: Genetics, biochemistry, infectious diseases, psychiatric and psychological diagnosis, residential care, day care, training, special education, public education, teacher training—each has a part either in the prevention of mental retardation, the care of the retarded, or their maximum self-development.

Or drug abuse: Psychopharmacology, diagnosis and treatment of personality disorders and deficiencies, education as to the dangers of drug abuse, community

mental health resources, commitment procedures, rehabilitation programs—all have a part in combating the problem.

A similar list of complementary and mutually reinforcing activities could be made for each of the Department's most urgent and difficult problems.

To have a hope, then, of solving any of these problems, there has to be an integrative process. Fragmentation must be replaced by integration to produce a whole greater, not less, than the sum of the parts. Planning, program development, and resources must be seen comprehensively and in perspective and, where necessary, not only brought together but fitted together.

If, as some people urge, health and education and the rest of HEW were split apart and made into three separate agencies, this would not in the slightest diminish the importance of close cooperation among them, nor would it eliminate the need for some external authority to resolve issues arising among the three agencies, to reconcile their respective roles in a joint plan, or to coordinate their performance under such a plan. To be carried out at all, these functions would have to be assigned to the President's personal staff, either in OMB or under the Domestic Council. But both OMB and the Domestic Council already have all they can do to achieve better integration among the departments and agencies now reporting directly to the President. There are real advantages, moreover, in giving responsibility for integrating human services programs to a Presidential appointee who is both visible and publicly accountable, rather than to the White House staff. These, indeed, are major considerations underlying the President's proposal for a Department of Human Resources, which would embrace not only HEW's present activities but add such related functions now performed elsewhere as food inspection and manpower development.

HEW PEOPLE

OF ALL THE things directed toward improving the Department's operations, I am proudest of what we're doing to help improve the opportunities and capabilities of the people who do the Department's work.

When my appointment as Secretary of HEW was announced, Oliphant produced a cartoon for the Denver Post, showing the Secretary's office filled with sniggling, smirking coffee drinkers clustered around the Secretary's chair. The caption was, "Come in, sir, we represent the thousands on your staff. You will find us petty, uncooperative, devious, unreliable, and thoroughly bureaucratic."

After nearly a year and a half on the job, I am here to say "it just ain't so." HEW career people bring to the task of Government something which few politicians, and alas, even fewer Republicans, have—many years of continuous service in the executive branch. Those of you who rise to the top of the Civil Service and the Public Health Service and, so far as I have been able to see, those beneath you, have a wealth of knowledge and insight into the problems of government that politicians rarely attain. You are men and women of strong principle and high competence. You respect the role of the political appointee, which is to express, on behalf of the President, the will of the electorate, and you deserve to receive respect in return.

As one who considers himself both a "politician" and a "bureaucrat," I embrace both labels with equal satisfaction. I do not deny, of course, that the word "politician" can have sleazy connotations, just as the word "bureaucrat" can imply inertia. But politics is the art of reconciling competing claims in a free society, and bureaucracies are the indispensable means of translating policies into results. All of you in this Department who have devoted your careers to government service deserve to take special satisfaction in this fact, especially since you are playing significant parts in helping millions upon millions of other people.

To enlarge opportunities for this kind of career service, to strengthen the capabilities of those who participate in it, and to increase the chances of advancement within it, we have initiated a number of interrelated activities.

The most significant and far reaching of these is our upward mobility program. Comprised of several interrelated components—the public service careers program, the Upward Mobility College, job restructuring and refined career ladders, the STRIDE program, special training programs for the disadvantaged, and

career counseling—the program is designed to enhance the training, development, and career advancement opportunities of some 65,000 DHEW employees in grades GS–1 through GS–7 and wage board equivalents.

Undoubtedly, the most innovative and farthest advanced of these is the Upward Mobility College—sometimes known as "The College Without Walls"—which literally brings the campus to the student by offering, at work, a full range of academic courses leading to an associate or bachelor's degree. We currently have approximately 1,740 employees enrolled in this program in the Washington-Baltimore area. We expect to expand this effort and extend it to the field as rapidly as the necessary arrangements can be made.

Recognizing the unique problems which affect the status of women, both within the Department and in society as well, and our limited knowledge of the fundamental causes and nature of these problems, we established in February 1971 the women's action program. Its broad charter is to examine all departmental activities from the point of view of their concern to, or impact on, women. The program has already given us new insights into the problems faced by women in our society and has begun to define means through which HEW programs can be used to alleviate them.

We also created this past year an Office of Special Concerns. It fulfills two major functions which I cannot see a Secretary of HEW doing without: It provides a listening post within the Department which enables the Secretary to hear the grievances as well as the aspirations of members of minorities, and it is a channel through which people in these minority groups can achieve both self-expression and advocacy for action.

Another important effort is the DHEW management intern program, designed to train carefully selected young persons for future administrative and managerial assignments. Consistent with our overall desire to enhance the career opportunities of HEW employees, the number of trainees entering this program was doubled to 40 last year, with half of these being "in-house" selections. A positive—and successful—effort is being made to attract a larger number of minorities and women to the program.

Two fundamental concepts govern these efforts: First, we are convinced that whatever we do to improve the careers of our lower graded employees, the disadvantaged, minorities, and women will at the same time improve the Department's performance. We fully expect, through these efforts, to attract and retain a more stable and highly motivated work force. We believe this will result from our efforts to show that HEW—a "Department of the people"—truly cares about its own people. And second, the mission of this Department and the nature of its programs dictate that we must exercise positive leadership in the national effort to recognize and promote human dignity and individual worth. We cannot do this merely by precept or even by furnishing money to support worthy undertakings. We must first "practice what we preach," and this is a challenge that I, personally—and I trust the entire Department—wholeheartedly accept.

Our collective goal should be to make of the Department an institution closely

knit in its operations, unified in its purposes, and capable of enlisting the loyalty and pride of all those who belong to it.

I cannot leave the subject of the people within HEW without saying something about two other vitally important groups. The first is the Commissioned Corps of the Public Health Service. The Commissioned Corps, as a separate personnel system, has been studied repeatedly over the past decade, and during that period the health functions of the Department have expanded enormously and have themselves been reorganized several times. My decisions regarding the personnel structure for the health arm of the Department reflect my belief that we can develop a flexible and responsive personnel system capable of meeting not only today's responsibilities but tomorrow's as well. In the implementation of this system, I am determined to avoid further shocks and sudden disruptions and to assure that the personnel of the Commissioned Corps are treated with the fairness that their long and distinguished history requires.

Finally, a word about those with whom I work most closely—the heads of agencies and the assistant secretaries. There cannot be many Cabinet officers who were as fortunate as I was, on assuming office, in finding talented and dedicated people already in place, and in enjoying the benefit of their continued service. We all owe these people a very great deal. Over the last year and a half, through the diligent efforts of the Executive Manpower Board, we have brought to full strength a team which I believe to be one of the most distinguished and competent in the whole Federal Government. These new people, and those whom they joined here, have come together to give the Department a sense of movement, direction, and professionalism. They have made it possible to envision a renovated and invigorated Department, responsive to the human needs of this country, and capable of helping to restore confidence in government.

If we are to make this Department what it can be, and what any honest recognition of our responsibilities to the American people requires that it be, then we shall need the best efforts of everyone within the Department—civil servants, Presidential appointees, officers in the Commissioned Corps, employees of all grades, women and men of all races and backgrounds. I believe we are already gathering momentum, and that, with the help of each person in the Department, that momentum will deepen and broaden, to the ultimate benefit of those whom we all seek to serve.

CONCLUSION

WHAT I HAVE been saying comes down, I believe, to this: We in HEW are charged with a fourfold task—to identify the problems of the people and of the institutions with which we are concerned; to eliminate the gaps between promise and performance by setting and meeting attainable goals; to make the best possible use of the resources we have; and to fight for the additional resources we know how to use well.

We know how enormously difficult a task this is. We know how much remains to be done—how great are the needs of our fellow citizens and the demands for more money, more manpower, new ideas, new technology, better management, more efficient deployment of resources, and more responsive institutions.

But we also know that in performing this task, we are bringing closer the fulfillment of the promise of America. It is still an inspiring promise. And if at times our progress toward it seems frustratingly, even agonizingly, slow, there can be no greater reward for any of us than the satisfaction of playing a part in bringing it closer.

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